

Message Text

LIMITED OFFICIAL USE

PAGE 01 JIDDA 03412 120828Z

22

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 EB-07 /030 W

----- 077122

R 120810Z MAY 76

FM AMEMBASSY JIDDA

TO SECSTATE WASHDC 4677

INFO AMCONSUL DHAHRAN

USDOC WASHDC

AMEMBASSY THE HAGUE

AMEMBASSY OTTAWA

LIMITED OFFICIAL USE JIDDA 3412

E.O. 11652: N/A

TAGS: ETEL, BEXP, US, SA

SUBJECT: PHILIPS ROLE IN AUTOMATIC TELEPHONE PROJECT (ATP)

REF A-54

1. CONFIDENTIAL SOURCE HAS INFORMED EMBOFF THAT PHILIPS HAS REQUESTED A SIX MONTH DELAY IN ITS IMPLEMENTATION OF ATP TO ALLOW FOR THREE MONTH SITE SURVEY, FOLLOWED BY THREE MONTH ANALYSIS OF PROJECT. ADNAN KHASHOGGI IS ADAM-ANTLY OPPOSED TO GRANTING OF PTT APPROVAL FOR SIX MONTH DELAY. KHASHOGGI FEELS THAT PHILIPS OPPONENTS MAY BE ABLE RALLY ENOUGH SUPPORT DURING SUCH DELAY TO FORCE KING KHALID TO DECIDE REOPEN NEGOTIATIONS.

2. EMBASSY HAS ALSO BEEN TOLD THAT PHILIPS CONSORTIUM MEMBERS ARE HAVING SECOND THOUGHTS ABOUT PARTICIPATING ATP DUE SAG INSISTENCE THEY SIGN FOUR TO FIVE YEAR FIXED PRICE CONTRACT. COMMENT: EMBASSY HAS REPEATEDLY POINTED OUT TO SAG OFFICIALS THAT FIXED PRICE CLAUSE IN MIDST OF RAGING INFLATION IS FORCING MAJOR AMERICAN FIRMS TO ABSTAIN FROM BIDDING ON SAUDI DEVELOPMENT PROJECTS.

PORTER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TELEPHONE SYSTEMS, SITE SURVEYS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Draft Date: 12 MAY 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Executive Order: N/A
Errors: N/A
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Handling Restrictions: n/a
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ISecure: 1
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
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Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 12 APR 2004
Review Event:
Review Exemptions: n/a
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Review Markings:

Margaret P. Grafeld
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EO Systematic Review
04 MAY 2006

Review Media Identifier:
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Review Transfer Date:
Review Withdrawn Fields: n/a
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Subject: PHILIPS ROLE IN AUTOMATIC TELEPHONE PROJECT (ATP)
TAGS: ETEL, BEXP, US, SA
To: STATE
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